



ICMG Group Integrated Report 2024

Intellectual Capital Management
for Sustainable Growth

Willpower Forest | Diverse willpowers entwine
in a new ecosystem

Contents

Intellectual Capital Management of ICMG Group

Purpose & Vision	2–3
Group COO Message	4–5
Intellectual Capital Management	6–7
Willpower Forest Ecosystem	8–9
Special Feature: ICMG Next	10–11
Special Feature: ICMG Group Diverse Working Styles	12–19

Value Creation of ICMG Group

Digital Transformation	20–25
Social Transformation	26–31
Green Transformation	32–37
Investments for Society	38–43
Co-Creation for Society	44–47
Human Captial Creation	48–53

Value Provision of ICMG Group

Areas of Expertise	56–57
Willpower Forest: Value Creation Initiatives	58–59
Willpower Forest: Steps for Value Creation	60–61
Group CEO Message	62–63

Purpose

Co-Create a Sustainable Future With Purposeful Partners

We aim to become pioneers and leaders in co-creation, making breakthroughs based on abundant and unlimited possibilities. By creating the Willpower Forest and motivating purposeful individuals worldwide, we envision a future-centric, intellectual capital-oriented society unbound by conventional capitalism.



Vision

Weave the Essential Significance for the Future and Society, Delivering Unparalleled Value to Our Clients

We will design latent significance and provide the initiatives and values essential for our future and society. Through co-creation with various stakeholders, we deliver tangible value to our customers and stakeholders, realizing the prosperity of our unique ecosystem.



New Passage as 'ICMG Group'

Setting Sail Together With Our Diverse Partners

The ICMG Group is making great strides. We have launched businesses including ICMG Next, designing transformations through a global lens, ICMG Ventures, co-creating ecosystems through investment, ICMG Digital, creating digital innovation, and ICMG Impact, shaping a world of co-creation. Together, we achieve social implementation with our various partners at home and abroad and have taken major steps forward as we transform from ICMG to the ICMG Group. I was appointed Group COO in June 2024 and look forward to setting out on this new passage with you all as the ICMG Group.

Since our founding, we have executed projects together with clients, starting from strategy conceptualization leading up to implementation based on our Intellectual Capital Management. However, the environment surrounding companies and the challenges that they face have become increasingly complex and sophisticated in recent years. In addition to resolving social issues with clients, we have amplified our service lines on a global level in areas such as UX design, engineering, and venture capital so that we can continue to lead the future. Currently, global talent that share our purpose are gathering from across the globe with seasoned product designers and engineers

from companies such as IDEO, Microsoft, Google, and Apple headquarters have joined us at the ICMG Group. Participation by these global talents will establish collaborative relationships among members with diverse values, ultimately leading to the provision of transformative and practical work experiences for our clients.

The ICMG Group will continue to work on a global scale. We have our hubs in Singapore and Tokyo carrying out business in India and Southeast Asia and looking ahead to the Middle East and Africa going forward. In Japan, the land of the far east, opportunities are expanding to the west and among them, the global south will be an area of particular focus. We will build strong ties with entrepreneurs of the global stage and connect them organically with the various values that are intrinsic to Japan as a pathway to new value creation. The ICMG Group is also dedicated to diversity, equity and inclusion as a global and leading edge intellectual firm. For example, best-in-class industry LGBTQIA+ benefits are being spearheaded by former Microsoft, Director of Product Design & Research and Frontline Studios GM, Ana Arriola-Kanada at ICMG Next and will be cascaded to the entire group in 2025.



Gen Funahashi
ICMG Group, Group COO

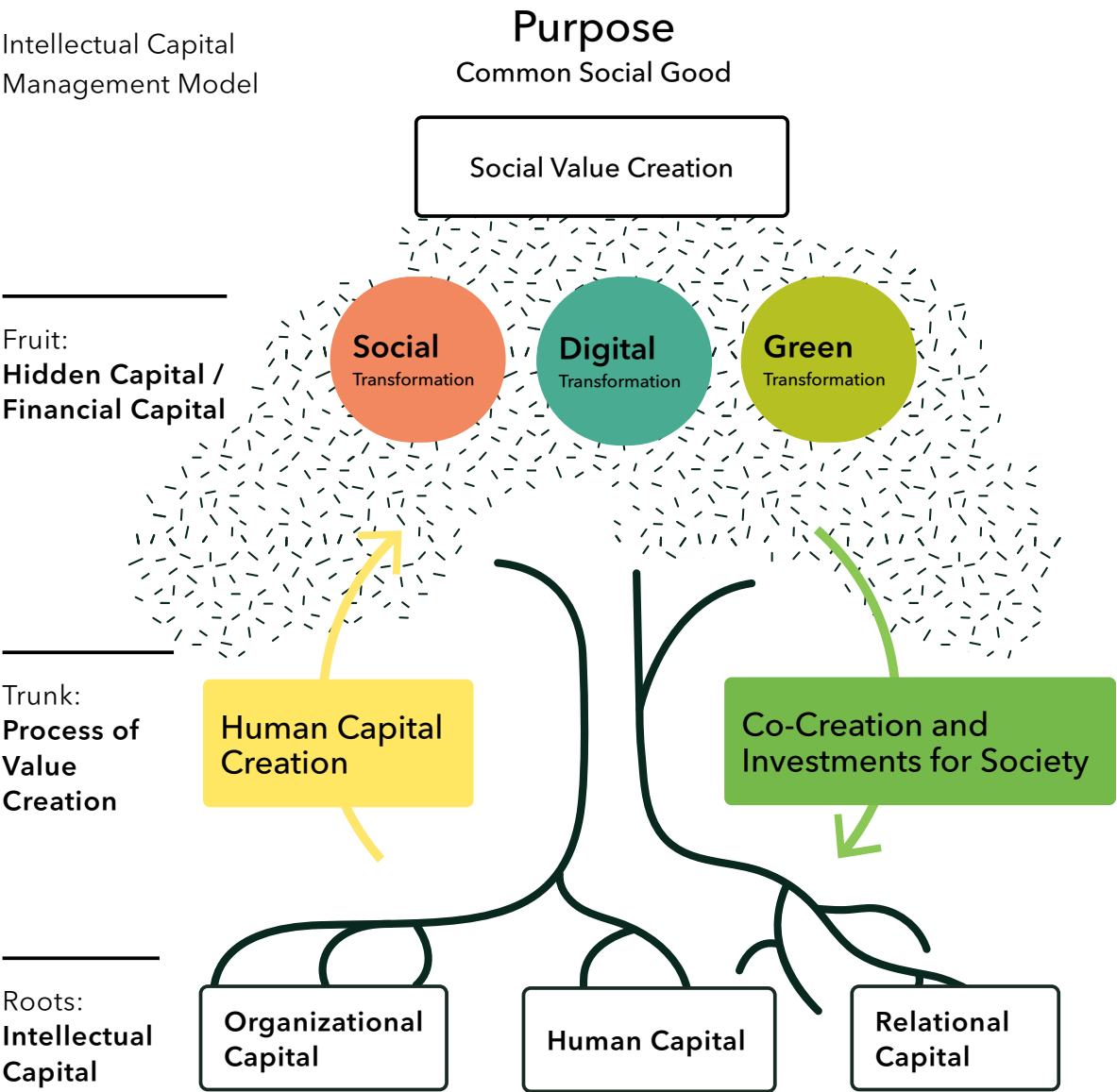
A stylized, handwritten signature in black ink that reads "Gen Funahashi". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

The ICMG Group is growing fast and I, as the group's leader, will dedicate my all to ensure that every one of our internal and external stakeholders can achieve their purpose with passion. One's power grows exponentially when they create with passion and curiosity. The growth drivers of the ICMG Group have and always will be our "people", and our belief in the strength of "willpower" is also something that remains unchanged. As new talent continues to join the ICMG Group, we will work beyond cultures and backgrounds and create a place of value creation based on active discussion and new synergy.

Please look forward to the ICMG Group as we continue to be the "doers" with our domestic and international partners, underlined by our "Intellectual Capital" built throughout the years.

Intellectual Capital Management

Intellectual Capital
Management Model



Since our founding in 2000, we at the ICMG Group, as the name indicates, have been practicing intellectual capital management. Intellectual capital management likens corporate/organizational activity to the "ecosystem of a tree".

< Intellectual Capital Management >
To create value/results [fruit], one must visualize and nourish the intellectual capital (human capital, organizational capital, relational capital) [roots] and initiate a value creation process that leads to values/ results [trunk] so as to bring impact to the ecosystem through its practices and achieve sustainable growth/ development in harmony with society.

This is founded upon the narrative and mindset of value creation in the integrated reporting framework set forth by the IIRC (International Integrated Reporting Council) (2013), which has been serving as the guide of integrated reporting in recent years.

We have continued to address corporate and organizational value creation through path breaking approaches based on the concept of intellectual capital management and elevated our capacity through intelligence in practice.

We apply a 4D cycle, a practical method of intellectual capital management, to support the sustainable growth/development of corporations.

Human Capital Creation Value Creation from Human Capital

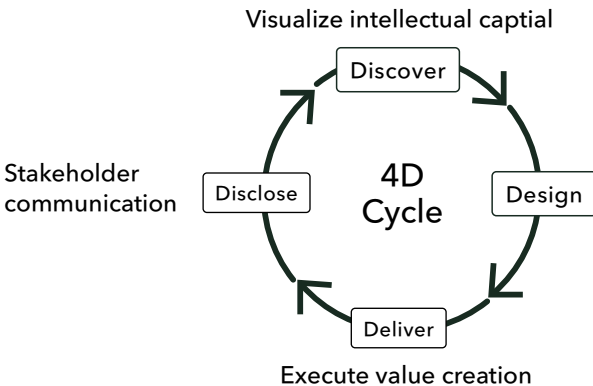
Perceiving "Human Capital" as the starting point for envisioning and implementing value creation

Since our founding, we have based our business on the core belief that "all value is created by people". Human resources are recorded as a cost on the income statement. However, they are the most significant capital for creating value. We perceive "Human Capital," not reflected on the balance sheet, as the starting point of value creation, and by strategically enhancing and linking them to outcomes make a pivotal role in sustainable corporate growth throughout society.

We liken our corporate activities to the ecosystem of a tree: elevating the strengths of people and organization (representing the tree's roots) into our business model, and through its practical application, we grow value as a "fruit", thereby achieving sustainable corporate growth and creating societal value. This is the "bottom up" flow of the tree visual.

Empowering individuals is not only vital for businesses but also significantly impacts an individual's life journey. By refining a leader's core beliefs and determination - their 'Willpower' - we aim to elevate and ignite practical wisdom, encourage societal contributions, and support actions that lead to tangible results and societal implementations. This very essence defines the value of the ICMG Group. We will continue to believe in human value and support "value creation through Human Capital".

Intellectual Capital Practical Methodology



Co-Creation and Investments for Society Co-Creation for Social Value

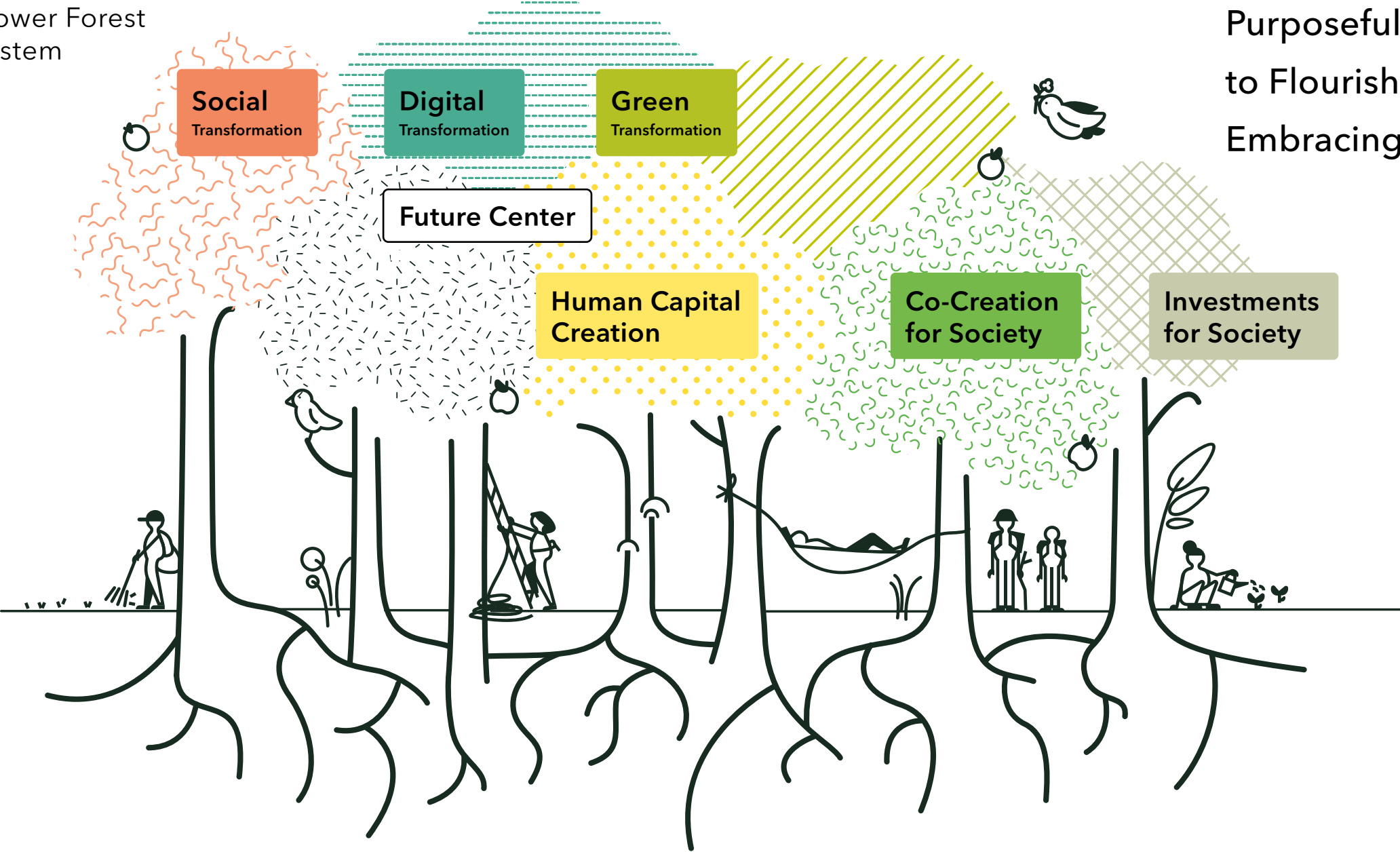
Co-create and implement values that lead to common social good and resolution of social issues

There are limits to value creation and sustainable growth within an individual company. We redefine our purpose beyond the company's individual vision, emphasizing the importance of a broader societal purpose. We have defined the following three items as our Purpose Agenda:

- **Digital Transformation:**
Inventing a collaborative society of people and digital technology
- **Social Transformation:**
Creating a new social ecosystem
- **Green Transformation:**
Behavioral innovation toward a decarbonized society

In addition to the bottom-up approach of "value creation through Human Capital," it's also crucial to gather stakeholders to perceive businesses from a top-down perspective, considering societal value, societal issues, and the common good. We, as a company that implements the three Social Purpose Agendas, will proactively develop our own business ventures. Based on our practical knowledge, we will support "Co-Creation for the Social Value" by businesses through collaborative project promotion and investments in startups in Japan and Asia, including India, contributing to the realization of a sustainable society.

We deliver "Value Creation from Human Capital" and "Co-Creation of Social Values" based on intellectual capital management and the 4D cycle and we, as the pioneers of intellectual capital management, will work together with like-minded partners to create a sustainable future.



Social Transformation
Creation of a New
Social Ecosystem

Solving local social issues at deeper levels. The Mt.Fuji Future Center was established in 2024 in partnership with Yamanashi Prefecture, as a place where circular local economy models are created. Co-creation across industry, government, and academia, will lead to amplification of a more sustainable and intrinsic social implementation.

Digital Transformation
Inventing a Collaborative
Society of Human and
Digital Technology

In addition to founding ICMG Digital last year, we established ICMG Next in 2024. ICMG Next gathers the strengths of the ICMG Group, such as digital solutions, design, and engineering, and will oversee entire processes from the formulation of purpose, vision, and management strategies to their execution and implementation, offering new and innovative values to all.

Green Transformation
Behavioral Innovation for a
Decarbonized Society

A new partnership has been formed with Aircapture, a leader in Direct Air Capture technology (DAC) to halt the rapid progress of global boiling. We will expand our partnerships at home and abroad, with industries, governments, and academics, to resolve these difficult issues facing mankind, with the goal of recovering 60,000 tons/year of CO₂ by 2030 and achieving social implementation of more than 10 negative emission projects between 2024 and 2026.

Human Capital Creation
Value Creation from
Human Capital

We will create true leaders that look beyond corporate growth/development to deliver true value to society. Refining human wisdom, conviction, and will, and investing in the execution of purpose, vision, and value creation. We will commit further to global programs to co-create social values from a wider perspective and continue to produce output that offers value.

Co-Creation for Society
Promoting a Co-Creation
Project for Tomorrow

We support entrepreneurs who will create our future society, achieve CX (Corporate Transformation) at major corporations and support accelerated growth of both. The ICMG Group not only creates strategies but also connects willful leaders and stakeholders organically to work alongside them in the process leading up to implementation.

Investments for Society
Creating Social Value from
Global Investments

The ICMG Group's cumulative funds have exceeded 10B yen and empowered communities, co-created with Japanese corporations, and built startup ecosystems through investments. We will expand the stage further from Southeast Asia and India and go beyond to the global south including the Middle East and Africa, creating co-creation opportunities between the next unicorn companies and Japanese corporations.

Future Center
A Place Colleagues Converge,
Influence, and Co-Create

We build communities where leaders across organizations and regions gather, connect, and co-create. Co-creation/hands-on programs that transform societies and corporations. Management/business/HR leaders of major corporations, ventures, local companies, and social entrepreneurs create new social values together.

ICMG Next Mission

Pioneering Transformative Solutions for Today's Systemic Challenges, Shaping Japan for Tomorrow

At the beginning of 2024, ICMG Group founded a new division named ICMG Next. Its focus is on rapid disruption and innovation's tangible impact on mid-range and long-range Horizon 3 stewardship engagement investments. ICMG Next was co-founded with Ana Arriola-Kanada and Gen Funahashi under the same vision for a multigenerational impact on society.

ICMG Next is a consultancy that incubates, builds, and stewards sociocultural and impactful business endeavors in partnership and co-creation with organizations designing for future generations of Japan. The division is not your traditional management consultancy, product design and engineering firm, AI/ML laboratory, advertising agency, design anthropology, research firm, or intersectional design studio. ICMG Next is a mashup of all of them and more, and is united by a passion to create a positive impact for Japan.

With decades of deep industry experience, our multi-award-winning team is unwaveringly committed to delivering high-quality work that exceeds expectations, adds measurable value, and is connected to the most innovative thinkers and makers across various industries.

Innovating in product and interaction design, ICMG Next creates integrated hardware and software solutions that address real needs and bring them to market. ICMG Next collaborates with our clients to leverage advanced AI, XR, and robotics, creating innovative solutions that address future challenges and drive tangible results. Additionally, ICMG Next partners with clients to uncover unique brand aspects, craft compelling visual identities and communication strategies and design influential organizations. Through leadership coaching, organizational design, and HR consulting, ICMG Next unlocks human potential and accelerates business growth.

At ICMG Next, we employ a human-centered design approach, tailoring our solutions to meet the specific needs of our clients. We believe in working together through open communication and close cooperation to achieve shared goals and mutual success. Our client-centric focus ensures that we are always aligned with our client's visions and objectives, fostering strong and lasting partnerships.

ICMG Next believes that who you are inspires the future we create. ICMG Next is the sum of its parts, representing the world we're designing for, and our greatness is exponential when we're empowered to let our whole selves shine. It is in ICMG Next's DNA to be a diverse collective of identities, heritage, race, ethnicity, religion, age, gender, sexual orientation, ability, minds, and backgrounds. ICMG Next operates with inclusion at its core and welcomes women, parents, people of different nations, races, and ethnicities, persons with disabilities, people who identify as LGBTQIA+, and people at the intersection of these identities to build with us.

ICMG Next co-creates an expansive, equitable ecosystem where everyone can belong and thrive. Together, we define the future.



Celebrating Legacy and Embracing the Future

As ICMG Group marks 23 years of steadfast commitment to building a better Japan through our client partnerships, we are excited to look ahead. In my role at ICMG Next and the Group at large, I continually seek ways to cultivate a culture where our people, teams, organization, and clients can thrive.

Change is the Only Constant

History, technology, and personal experiences consistently demonstrate that stability and sustainability arise from recognizing environmental changes and adapting to meet our needs ahead. To align ICMG Group’s core values with new generations of businesses, we continue to build awareness on what needs improvement, striving to create environments that foster growth.



ICMG Next CPO Akiko's Coaching

Engineering Environments

In designing work environments, we focus on two key elements: the physical spaces and the intangible interactions that foster collaboration and connection. Viewing workplace design as a means to engineer social interaction and collaboration, we recognize psychological safety is essential for nurturing creativity, innovation, and positive change. Research shows when individuals express themselves freely without fear of ridicule or exclusion performance increases. Inclusive teams and organizations that embrace diversity and engage in open dialogue create genuine opportunities for growth.

Reflecting on my early career in retail fashion, I learned some of my most valuable lessons on the sales floor, especially around fitting rooms. Observing someone try on a new item, be it a jacket or a dress, was not just about color or fit but about discovering new aspects of themselves they had not previously noticed. This concept extends beyond the retail setting and is relevant to our work at ICMG Group. Embracing new experiences and approaches ignites awareness and potential. Stepping beyond the familiar and tackling new challenges pave the way for new vision and innovation.

Commitment to a Positive Future

ICMG Next has been launched within the ICMG Group—a network and team of people dedicated to creating a better Japan. At Next, we lead clients in forward-thinking solutions. This would not be possible without enhancing psychological safety with our clients and within our teams, redefining work and professionalism, supporting our people in pursuing their aspirations, and enriching our organization with these ambitions. Fostering a culture of safety and inclusion translates into a culture of growth.



ICMG Next's inclusive design team

Japanese Approaches and Change from Within

While I admire Japan’s unique qualities, I am also aware of its social and systemic challenges. Japan’s history showcases its skill in adapting and integrating ideas from other cultures. This art of adaptation involves discerning what to embrace, retain, modify, or discard. At ICMG Next and ICMG Group, our diverse team hails from various global backgrounds, bringing a wealth of expertise from different industries and cultures. I am inspired by our collective commitment to serving a better Japan from within, uniting our diverse experiences and perspectives to create meaningful impacts.



Akiko Mega

ICMG Group, ICMG Next Chief People, Inclusion, and Culture Officer

Learning to Lead: The Center for Being

Change in one leads to change in all. Authentic leadership and a culture of inclusivity empower teams to make a positive impact both within our organization and in collaboration with our clients. We are passionate about People, Inclusion, and Culture and are excited to share our insights, strategies, and approaches with clients. Moving beyond traditional human resource practices, we offer a powerful catalyst for sustainable change through our upcoming Center for Being—a space dedicated to fostering personal and professional growth at scale.

We are committed to driving positive change in Japan by transforming one leader, one team, and one organization at a time.

Creating an Environment Where Everyone Shines:

Pioneering Efforts in Diversity, Equity & Inclusion



ICMG Group sponsors Tokyo Rainbow Pride

In a bold move to celebrate Tokyo Pride and champion diversity, ICMG Group is thrilled to introduce an incubation program of progressive benefits under ICMG Next to foster inclusivity and respect within our workplace.

Diversity isn't just a concept for us – it's our strength and our commitment.

"It is in our DNA to be a diverse collective of identities, heritage, race, ethnicity, religion, age, gender, sexual orientation, ability, minds, and backgrounds. Our commitment to shaping a better tomorrow starts with fostering an environment where every individual can fearlessly be their whole self," said Ana Arriola-Kanada, Chief Executive Officer at ICMG Next, who is queer, a lesbian, and a loving wife and mother of four amazing humans one of which is also queer and nonbinary.

In line with this commitment, ICMG Next is introducing a series of innovative benefits and policies that will redefine industry standards and provide unparalleled support to its employees in Japan. These include:

1. Flexible Time Off and Wellness Days to promote work-life balance and support mental health.

2. Inclusive benefits addressing needs not covered by Japan National Healthcare, such as LGBTQIA+ friendly mental health wellness support; gender affirming hormone prescription care full coverage; fertility & family sciences for adoption and surrogacy for LGBTQIA+ individuals & same-sex couples; and also enhanced paid parental and family leave during pivotal life moments.

3. Inclusion policies and practices to protect and support employees regardless of age, sexual orientation, gender identity, expression (and other identity dimensions). This includes diversity, equity & inclusion practices, workshops, and values at the core of everything we do, as well as foundations for safe spaces of connection and mutual support for employees.

4. Community Engagement and CSR efforts that engage with LGBTQIA+ organizations and initiatives.

Gen Funahashi, Group COO of ICMG Group remarked, "By rolling out these benefits & policies and participating in Pride, we're sending a clear message: diversity, equity and inclusion are embedded in the fabric of our company, and the future we co-create."

Join us in embracing diversity and building a brighter, more inclusive future for all.

Empowering the Future Workstyle in Japan:

Stories from Women & Queer Parents at ICMG Group

Balancing Motherhood and Careers Across Generations

At ICMG Group, we believe in harnessing diverse perspectives to contribute to a truly progressive environment that empowers women and caretakers of all backgrounds. We strive to actively design and transform the future of work in Japan and represent the evolving generation’s values into how we operate.

Ana’s Journey in Silicon Valley & Japan

Ana, who uses they/them/theirs and she/her/hers pronouns, is a mother of four, a craftswoman, and a passionate advocate for making the world a better place for future generations. Reflecting on her experience as a mother in Silicon Valley during the 2000s, Ana highlighted the stark differences in parental leave policies over the years. At that time, parental leave was limited to just a few weeks, leaving new parents with little support.

However, her tenure at Microsoft marked a significant shift. There, both birthing and non-birthing parents were given fully paid leave for several months, fostering a supportive community and allowing parents to detach from work entirely. This evolution continued

In a recent discussion with Ana Arriola-Kanada, CEO of ICMG Next, and Naoka Sono, Director of ICM, we explored the evolving landscape of parenthood and careers for women and queer parents in the workplace. Both women shared their unique experiences and insights, shedding light on the challenges and triumphs faced by working women with children across different generations.

at companies like Apple and Sony, where Ana found a balance between work and childcare. The supportive environments at these companies enabled her to be more present with her children, a stark contrast to the situation two decades ago.

Amidst these experiences, Ana also faced unique challenges in Japan as part of the only lesbian couple with a child in their ward. Japan’s lack of recognition for their marriage complicated the nursery application process, as the ward questioned her wife’s entrepreneurial career and didn’t acknowledge their marital status. Although they eventually secured a spot, this experience highlighted the barriers faced by modern families and the need for policy adjustments as Japan becomes home to more international residents.



Saya Iwasaki
ICMG Next
Vice President Design Anthropology & Culture

Naoka Sono
ICMG Director of Intellectual Capital

Naoka’s Experience in Japan

Naoka, a mother of three, shared her journey of balancing motherhood with her career in Japan. After giving birth in 2009, Naoka transitioned from her role at ICMG Group to help her father’s business. As she pivoted the business, she also began working as a coach and trainer, believing that this role would offer the flexibility needed to balance work and parenting.

However, societal attitudes in Japan, which lagged behind America by about 30 years, presented significant challenges. Many questioned her decision to send her child to nursery school while working, expressing pity for her "difficult" situation. This societal

pressure caused Naoka considerable mental struggle as she tried to balance her rewarding career and motherhood. She firmly believed that loving her work and sharing that joy with her children was not only possible but beneficial.

In addition, Naoka described the challenges posed by Japan’s nursery system, which operates on a points system with limited access. Despite having a nursery right behind her house, she couldn’t secure a spot. This led her to start her own community childcare group to support parents more holistically, addressing a need she found unmet by the existing system.

Opportunities for Societal Impact through ICMG Group

With these challenges in the background, they shared how companies, governmental policies and societal processes, particularly in education drive change. They bring that passion to ICMG Group's mission to be a truly diverse, inclusive & progressive company supporting people of all backgrounds.

Ana, as CEO of ICMG Next, is dedicated to removing barriers for parents of all backgrounds. She believes that a diverse business is a key driver of success and aims to foster a work environment with inclusive benefits that aligns with the values of current and future generations. Empowering women, queer parents and individuals of all backgrounds to embrace their careers is a crucial part of this mission.

In addition, one of ICMG Group's highest priority is pushing the transformation of Japan for next generation immigrants, including foreigners moving to and living in Japan long-term. It's a core focus area on making Japan more inclusive to live in, start careers and raise families, especially as the country faces sociocultural issues such as aging population and declining birth rates.

Naoka also emphasized that advocacy for change should come from the entire community, not just parents. A truly inclusive and supportive company culture can only be achieved when everyone, including those without children or those caring for elderly parents or even sick pets, supports each other.

These are values that ICMG Group upholds at the Group leadership level, so that we can represent a work environment where people from all backgrounds, regardless of gender, sexual orientation, age, parental status, race, ethnicity and beyond can thrive.



Ana Arriola-Kanada
ICMG Next Co-Founder, CEO
Former Director of Product Design & Research,
Microsoft U.S. Headquarters, Frontline Studios GM

Advice for New Mothers & Women in the Workplace

As we close out, Naoka and Ana shared a few words to new mothers and women in the workplace.

Naoka's advice to new mothers is to see motherhood as just one new aspect of their identity. She loves her work and enjoys sharing her experiences traveling to different countries for work with her children, while also supporting their passions. This, she believes, is a way to celebrate their independent pursuits together.

Ana's advice is to be prepared for the unexpected, as every child is different. She noted that her parenting journey for her fourth child is completely different from her first three, which were also different in their own way too - underscoring the uniqueness of each parenting experience. Even though it can be scary, embracing the ambiguity of parenting can lead to a profoundly enriching and transformative life.

"A truly progressive environment that empowers women and caretakers of all backgrounds."

This conversation with Ana Arriola-Kanada and Naoka Sono offers valuable insights into the evolving roles of working women with children, and how ICMG Group invests in supportive policies and inclusive environments. Their stories reflect both the challenges and rewards of balancing motherhood with a fulfilling career.

Digital Transformation

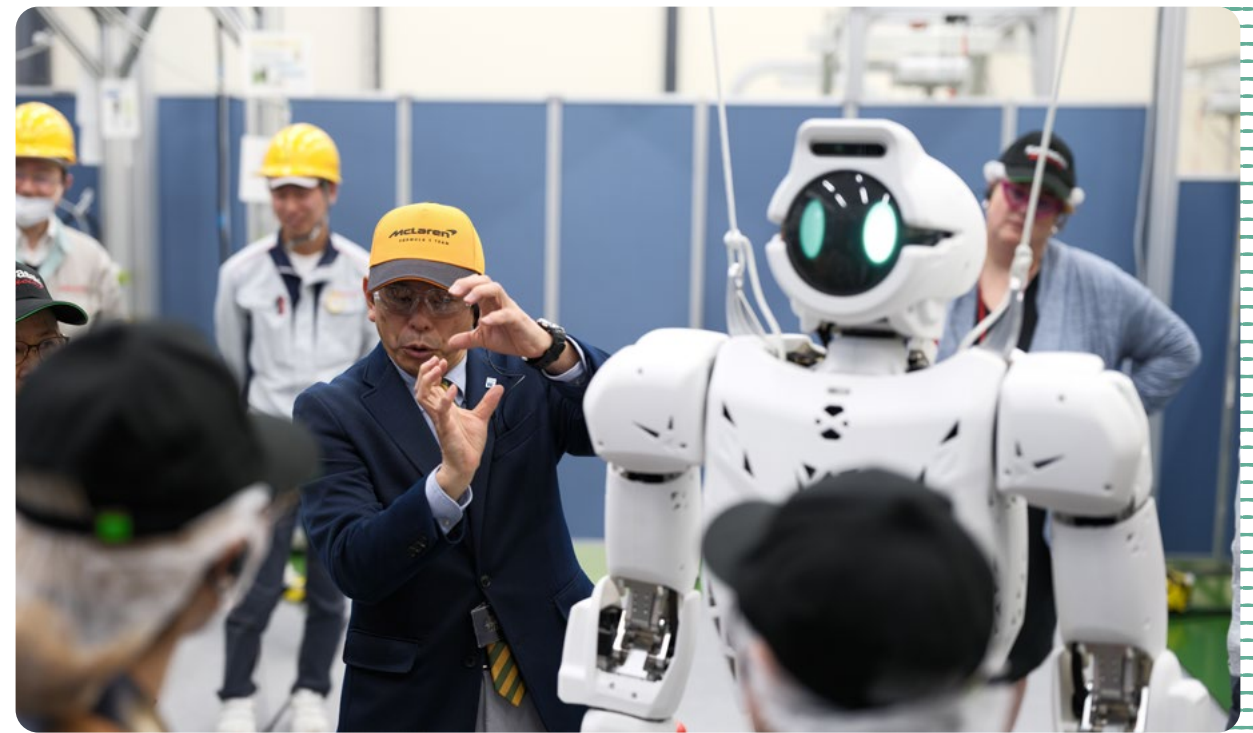
Digital Technology is the Core of Social Transformation

Last year, we launched ICMG Digital, followed by ICMG Next in 2024 to serve the varied needs in strengthening DX. We have advanced our business steadily through the provision of many services from visualization of DX challenges, high-level digital consultation, and development of specific systems. This year, we will incorporate a new “data capital” concept as a new non-financial value; delivering the 4D cycle (Discover, Design, Deliver, Disclose) program of data capital along with methods on how to grow businesses through data-driven value creation. This will be combined with ICMG Next’s strengths in design and global partnerships to bring innovative value to the world.



Hiroyuki Wada

ICMG Director, Member of the Board
ICMG Digital Director, Member of the Board
Former ALAXALA Networks Corporation,
President and CEO
Former Hitachi, Ltd. Information &
Telecommunication, Group COO



Kawasaki Heavy Industries Tomonori Sanada demonstrating technical advances of KHI robotics

Bringing Strategy and Narrative to Data in Japan

Ignite the Potential of “Data Capital”

When we talk about Intellectual Capital, the source of corporate value, this includes data that we call, “data capital.” Data capital consists of

- (1)Ownership of data (gathering and building),
- (2)Strategies that leverage (1) to create new value (data strategy),
- (3)Businesses that are born through (1)and(2).

There are still only a handful of Japanese companies that can talk about these three elements in a clear narrative. Moreover, there are cases in which the company is not aware of the value and uniqueness of their data or struggling in taking the gathered data and tying this to a strategy.

New value can be created by giving a narrative to data. It is important to handle data as something more than an inorganic subject, being mindful in linking this constantly to “how we want to shape our future”, and elevating them into a viable strategy. How can one leverage Data Capital for their future goals? The key is in controlling data for the good of the future instead of our future being controlled by the data.

Japan is said to be underdeveloped in the realm of DX and that is exactly why Data Capital of Japanese corporations have the potential of unlocking a better future. Let's envision that strategy together with the ICMG Group.

AI × DX × Robots

Robotics Services from Japan, Co-Created by Kawasaki Heavy Industries and the ICMG Group

Kawasaki Heavy Industries and the ICMG Group have kicked off a monumental project to build the technology of tomorrow as partners. The following is a dialogue on initiating open data that activates co-creation between different companies, about the frontlines of robot development,

application of AI technology, challenges in digitization, and how Kawasaki Heavy Industries, a leader of the Japan market, and their challenge in portraying the future, combined with the creative executional capabilities of the ICMG Group, can work together to create a society of the future.

The Future of Connectivity Addressed by ICMG Group and Kawasaki Heavy Industries

Urabe:
It would be fascinating if we could create a future where robots solve social issues on their own. We are aiming to create worlds seen in movies such as, “The Terminator” and “Skynet” by connecting social robots on cloud. Information is accumulated on a cloud and when people place requests, the cloud, which serves as the brain, will break down the task and assign the adequate robot. The robots in the downstream will carry out the different tasks.



Kawaski team presenting technological achievements

Sanada:
Research of humanoid robots, which are closer to humans, started in 2015. When I heard from Hironobu about linking robots with cloud, I imagined a world of science fiction where it would be necessary for people to keep a close eye on things from a higher ground like the eyes of god. In the future, robots may move on their own will but what we are thinking now, is a system where the robots are connected to a network and controlled in the intended manner based on human orders. But the truth is, we don’t have enough people for the job when creating this kind of world.

That is why we consulted with ICMG Group, who has various partners, colleagues, and other people that can really get the job done. We look forward to ICMG Group being the place where different talents gather for this epic project.

Adal:
Our synergy with Kawasaki Heavy industries lies in our shared goal of advancing society toward the future and turning the technology into something that is socially viable. We need to judge the technology from a long perspective, fuse this with solutions that are already out there in the market, and think of what is coming next. There are things we can use today which may be completely useless tomorrow. Now is the era of AI agents and it is necessary to engineer the technology based on superior standards when adapting them to their respective environments.

Imagine if there were a robot near you and it were playing with a child, or it were in the workplace, there were a satellite, and a humanoid, or a completely different robot for that matter existed; the challenge is in how you would integrate them all. I get excited when I think of all the possibilities and a world where man and robots exist together.



Closeup of Kawasaki's Humanoid robot, 'Kaleido'

AI/DX/Robots: Creating the Next Standards

Sanada:
To apply robots more within people’s lives. The world transformed as smartphones and PCs became the norm. Ten years from now, robots could be our partners. They could come in all sorts of shapes and sizes. They will have higher functions and some might even move on their own. Robots will fill in for the things that cannot be attended to by humans. They will evolve immensely as a communication tool. This is the balance we must strike

Urabe:
A new world will be born by connecting various things to the network instead of just robots. For example, Japan aspires to be a tourism nation and has many beautiful places to offer but is facing the issue of excessive tourism. Wouldn’t it be wonderful if we could create a system where people could go to those locations with a robot and take home wonderful memories?

Diana:
Social robots are truly incredible in how they can contribute to society. What we must be mindful of though, like with small children, is in how we train them until they can become a social robot. It must be fair and it must be private. I look forward to ideating how social robots can remain as something that is built individually but also linked on a cloud.

Digital Transformation

Paving the Way for Robotics Services from Japan

Okuhama:
A new genre known as social robots will be paved in the context of DX and AI and I believe that this will allow for Japan to strengthen its technical leadership.

Sanada:
The Japanese are unique in how they accept robots in a friendly manner. In Japan, a world where robots live among humans has been made familiar through anime and manga. When people come to Japan from overseas, they think, “wow, that’s convenient” or “this would be nice to have in my life.” People being impressed by washlet toilets and buying them as souvenirs is a good example.

Until now, Japan has never been good at establishing de facto standards but it would be incredible if we could export services encompassing manufacturing and systems as a new industry of Japan.

Urabe:
While I agree with Tomonori in that we have an advantage in regards to robots, when we look to digital, Japan is very much behind. People talk about digitalization but they fuss too much on the regulations to the point that it has made us an underdog in this area. We want to take this delay in digitalization and combine this with robots, which we are ahead in, to quickly create the world we are aiming for and make this the global standard. I hope to see this through so that we can go from being the follower in digital to a leader.

Adal:
In Japan, I hope that Kawasaki Heavy Industries will serve as a role model that other Japanese companies will want to follow. That they will push forward while involving creative people into their team. I look forward to welcoming more teammates through the larger lens of changing our society of the future.

Diana:
I agree completely with what Hironobu said in regards to the overall digital experience. We are so much behind and this is something I particularly experienced first-hand, having come from Silicon Valley to Japan. The key is in creating a foundation and building up from there. Many projects in the past were about making, making, then remaking. This is a waste of both time and money, not to mention inefficient. It is vital to create the correct foundation from the start while also guaranteeing its flexibility. To create a foundation for an intelligent model from the outset. That way, we can accelerate the future and set our sights into the beyond.



Chatting with Tomonori Sanada of Kawasaki Heavy Industries about the future of robots

Hironobu Urabe
Kawasaki Heavy Industries, Ltd., Executive Officer DX
Strategy Division
Tomonori Sanada
Kawasaki Heavy Industries, Ltd., Executive Robot Business
Division Precision Machinery & Robot Company,
Head Office Presidential Project Management Division



Sota Okuhama
ICMG Next
Director of Engineering
& Special Projects



Adalberto González Ayala
ICMG Next
Vice President AI
Architecture & Engineering



Diana Povieng
ICMG Next
Vice President of Narrative,
Spatial Computing & Design

Social Transformation

The Challenge to Make Japan a Leading Nation in Impact Innovation

The world is undergoing a major shift from the past era to the future era. Global leaders share the awareness that the worldview of the past era, which has been based on an excessive pursuit of financial and economic indicators (GDP, sales, profits, etc.), has reached its limits, and they are taking on the challenge of restructuring the world based on the values of the new era. Now is the time to go far beyond the corporate perspective to resolve issues left behind by society and create a new future, an era of impact innovation that combines social and economic value. ICMG Impact, in collaboration with the entire ICMG Group, will lead the challenge to create a role model for Japan through impact innovation, as Japan is at the forefront of the world's leading countries in this field.



Yusuke Tsuji
ICMG Executive Officer
ICMG Impact CEO



High school students use smartphones on Palawan Island, which was electrified by CleanGrid Partners, a JV between ICMG Group and Tokyo Electric Power Company.

Working Together to Create a Grand Design for a New Era

As the world undergoes a major shift from the past to the future era, what should we be aiming for, what should be our indicators, what should be our means, who should be our partners, and toward what kind of future? In all organizations, including national, social, regional, and corporate organizations, we are now in an era that demands a grand design for a new era. It is essential to have futuristic leaders who transcend all boundaries of borders, regions, races, industries, companies, organizations, generations, and experiences, and who lead future envisioning and future co-creation with a deep understanding of and deep empathy for the

respective interests and positions of multi-stakeholders, and integrate the power of multi-stakeholders toward a greater purpose. ICMG Group has consistently focused on sustainable growth since its inception and has evolved its business as a Co-Creation Partner of the future that comprehensively understands not only financial capital but also intellectual capital. We have evolved our business as a Co-Creation Partner, investing in and developing impact innovation globally, especially in Asia, and implementing it into the future and society. Let's work together with ICMG Group to create a grand design for a new era.

Lighting the Island Sustainable Community Development at Palawan Island, Philippines

CleanGrid Partners (CGP) is a Joint Venture Company established by TEPCO Power Grid, ICMG Group and WEnergy Global. The company is focused on investing, owning and operating off-grid power infrastructure that is electrifying rural communities with clean, reliable and affordable electricity.

CGP has developed and executed the Sabang Project (a 2.4 MW Hybrid Power Plant and 14km smart grid) which has transformed the remote town of Sabang in Barangay Cabayugan, Palawan, allowing socio-economic growth and development (SDG #7).

Given the beautiful nature surrounding the town, including the popular tourist and UNESCO World Heritage site, the "Puerto Princesa Subterranean River", huge efforts were made to ensure that the Sabang Project had undergone stringent sustainable and environmental impact assessments to prevent any unnecessary damage to the environment. Additionally, the plant is estimated to reduce up to 21,514 tons of CO₂ emissions over a period of 20 years.



The Sabang Project has enabled up to 600 households and 50 local businesses to engage in various community activities that enhances the livelihood of all members. Increased security in the evenings due to reliable light sources, increased study-hours for students to work hard at school and increased business-hours for local businesses. Apart from supplying electricity, CGP continues to work with local and city governments to develop plans that protect the environment as well as to support the local community in overcoming different challenges at the Cabayugan.



Micro-grid site built and operated by CGP



Visit Mayor of Puerto Princesa to have a dialogue about the future of the town

- 1. Re-planting/re-location of trees that have been lost due to various operational requirements of the project.
● SDG 11 ● SDG 12 ● SDG 13
- 2. Supplying basic food and shelter to community members whom houses were affected during Typhoon Rai.
● SDG 3 ● SDG 6
- 3. Providing office and school supplies to the local school who were affected by Typhoon Rai. ● SDG 3



Atem S. Ramsundersingh
WEnergy Global CEO
CGP Co-Founder



Visit local school children in Palawan Island

- 4. Community engagement between Japanese companies and local Sabang communities (including but not limited to local schools, local businesses and household visitations). ● SDG 4
- 5. Energizing the local business owners with new business ideas and exploring potential collaboration opportunities with Japanese companies. ● SDG 8 ● SDG 9

Through our various efforts in building new responsible infrastructure as well as building a stronger community, we aim to show the locals how to develop good and sustainable business practices, and how to create new opportunities for the future.



Gen Funahashi
ICMG Group, Group COO
CGP Co-Founder

The Community Co-Creation Network, Starting and Expanding from Yamanashi

Love for Hometown Yamanashi

Shimizu:

Yamanashi prefecture is a scenic place surrounded by beautiful mountains including Mt.Fuji, the Southern Alps, and Yatsugatake, the clear water that springs from those mountains, and the fruits that grow drinking that water. And though this may not be as famous, our prefecture enjoys good weather and is less susceptible to natural disasters. As the word “Koshu Merchant” speaks for itself, the prefecture’s people are known for their vitality. The prefecture has produced armor, purses, and handbags, attuning to the needs of the times, and excels in customizing businesses to meet customer preferences while preserving important traditions. Despite these strengths, the prefecture is facing various challenges as it responds to the shift of

production centers from Tokyo to the greater Asia region, changes in industry structure, and excessive tourism brought on by the increase in tourist travel. Now, more than ever, we must orchestrate the wisdom and drive of this prefecture and take action based on a long-term strategy.

“The strategy is the story, the tactic is the casting, and the battle is the spirit.” We must first portray that large vision, and identify the people, the methods, deadlines, and put them in action. The ICMG Group is a company that has achieved growth in non-electrified regions of Asia and that is why we have decided to partner with them on the foothills of Mt. Fuji.



Dialogue between Yoshihiko Shimizu and Hitoshi Funahashi



Yoshihiko Shimizu

(Yamanashi Prefectural Federation, Chairman)

X

Hitoshi Funahashi

(ICMG Group, Group CEO)

What We Want to Achieve in Yamanashi

Shimizu:

I believe that Yamanashi has been able to introduce about 30% of the values that it has to offer, due in part to the strong will among its people to manage on their own. Our Mt.Fuji Future Center will orchestrate experts from different walks of life like hydrogen, mobility, and tourism, and create a place where they can join hands across areas and maximize their respective expertise for the growth of the community. Yamanashi will be able to present its values to the world when the stakeholders, internal and external, are able to collaborate through this co-creation organization. There are many other communities in need of such initiative and if we can guide these initiatives between Yamanashi Prefecture and the ICMG Group toward success, the wave will spread across Japan and the world without a doubt.

Funahashi:

I agree with Yoshihiko in that our initiatives at the Mt. Fuji Future Center will serve as a model case for sustainable growth of communities. Since our founding, the ICMG Group has continued to advocate “Intellectual Capital Management” that is based on value creation starting from the human capital. Until now, corporate transformation was the core of our business but ever since our project implementing a micro-grid in an unelectrified region on the island of Palawan in the Philippines, we’ve seen how our willpower can be extended to local communities. Japan has so much incredible intellectual capital to offer and it is also a fact that natural/cultural assets within communities still remain hidden. We hope that the meeting between our intellectual capital management and you, Yoshihiko, who has worked under what is essentially the same philosophy, and think together about how we can unearth the potential value that a community has to offer and how we can create the dream team. The Mt.Fuji Future Center will serve as the place for building circular models pertaining to local economies.



Leadership Journey of ICMG Group members through Aokigahara Jukai forest

To the Potential Partners in Creating the Willpower Forest Together

Shimizu:

Needless to say, cooperation with the local people will be crucial for these initiatives. That is why we must explain our story mindfully as early as possible so that we can gain alignment.

Funahashi:

As we face major challenges including a declining population and aging society that we must address as a society as a whole, we are entering an age in which people will question a company, community, and local government’s existence based on their purpose. There is only so much that a company can do alone and that is why multiple stakeholders need to join hands across communities and sectors and establish a common purpose (social value) with people in the right roles. That is what the Mt.Fuji Future Center is there for. We at the ICMG Group are confident that we’ve continued to see things through with constant willpower. That is why we are so honored for this opportunity to think together with you, Yoshihiko, and the people of Yamanashi. So let’s create the Willpower Forest together with the will to “introduce something valuable for society no matter what it takes” with the people who will join us in these initiatives.



Promoting Social Implementation of Negative Emissions

Climate crisis caused by global boiling has been triggering serious natural disasters around the world in recent years and the future of our planet is at risk. Active promotion of green transformation (GX) on a global scale is crucial in controlling this global warming. In FY2024, the ICMG Group entered into a new business partnership with Aircapture, a leader of Direct Air Capture (DAC), and formed a team specializing in GX. We will continue to co-create and partner with advanced companies and research institutions in Japan and abroad and accelerate our social implementation in contributing to net zero so as to shape a more sustainable future.



Hidetoshi Kikuchi

ICMG Executive Officer
TEPCO i-FRONTIERS, Inc. President
Global Thermostat Japan PBC
Managing Director

Green Transformation



ICMG's Hidetoshi Kikuchi photography on forests and biodiversity in Alaska during his travels around the world in response to climate crisis.

Interview with our partner

Transforming the Industry with Decarbonization of Concrete

New Production System Applying DAC Technology

Negative emission is technology that is crucial for achieving net zero and ensuring the survival of the global environment and biodiversity which both serve as the foundation of our future wellbeing. From early on, the ICMG Group has addressed social implementation of DAC, a game changing technology for negative emission, and has been engaged in a commercial implementation project in partnership with Japanese companies since last fiscal year.

Yoshihiro Aizawa

(AIZAWA Concrete Corporation,
President & Chief Executive Officer)
Profile

Born 1965 in Shizunai, Hokkaido (currently Shin-Hidaka.) Third generation president of AIZAWA Concrete Corporation. Joined Nikkei Inc. after graduating from Chuo University. Aizawa also served in the newspaper outlet's editorial department in the United States (New York) during his 12-year career as a journalist. Joined the family business, AIZAWA Concrete Corporation in 1998. Aizawa took the notoriously conservative industry by storm through numerous innovations including the founding of an unmanned network plant. President since 2008. Now preparing to pass on the baton to the fourth generation so that the company can advance to the next stage as a truly time-honored company.

One of the most iconic of these projects is with AIZAWA Concrete Corporation. This is a revolutionary project that achieves negative emission by applying DAC technology to recover CO₂ from the atmosphere and utilizing this effectively in the concrete production process. We spoke with Yoshihiro Aizawa, President of AIZAWA Concrete Corporation, a company that leads the industry through their various innovative initiatives and shares a common vision of a decarbonized future, together with the ICMG Group. (Interviewer: Hidehiko Kikuchi, ICMG Director GX Manager)



Yoshihiro Aizawa addressing the future of decarbonization

Why Decarbonization is First in the Management Policy

Q1:

Your management motto is, “Decarbonization First”. How did that come about?

It all started when I attended the Web Summit 2019 held in Lisbon, Portugal. This is the EU’s biggest tech event where many topics are discussed and when I went, CO₂ was being addressed at every single booth. For example, apparel brands talked about a specific thread that they make and how little CO₂ is generated in the process of making it. CO₂ was the greatest concern across every category. I was struck by a sense of urgency to catch up as I came to realize how decarbonization and Europe had become core drivers without my knowing it.



RDM locations driving innovation in the industry

※ Self-healing concrete Basilisk
Technology that promotes autonomous healing of concrete cracks through utilization of bacteria metabolism. Commercialized by AIZAWA Concrete Corporation based on basic technology developed by Delft University of Technology in the Netherlands. Winner of the Monodzukuri Nippon Grand Awards, Excellence Prize.

Q2:

This was back when decarbonization was not such a hot topic in Japan.

There was not a soul talking about it. When I looked back to our industry and where cement and concrete stood, I realized the trouble that we were in. In Japan, the manufacturing industry accounts for more than 30% of CO₂ emissions. Cement/concrete is the second largest industry in manufacturing and accounts for 5-7% of overall CO₂ emission. Faced with these facts, I knew that we needed to address decarbonization or else the existence of our industry as a whole would be in danger. Research has also shown that companies that commit to environmental management reap greater returns (rise in dividends and share prices.) I was shaken from the core to the realization that this is the age that we are living in.

Around this time, we were nearing the launch of our self-healing concrete, Basilisk* and we put “Decarbonization First” as our mission from Day 1. Longevity of existing concrete could be extended through Basilisk marketing. Meanwhile, new products would be made so that they do not break. In other words, we would shift our management toward lessening demand for cement and concrete in the future. Our decarbonization management is about creatively dismantling the conventional ways of our industry.

We’ve also developed products through industry-academia collaboration with institutions such as the Massachusetts Institute of Technology (MIT) and Delft University of Technology (TU Delft) in advanced technology such as recycling of waste plastic into materials for making concrete, concrete 3D printers, and energy-storing concrete.



Self-healing process of concrete

"Our goal of decarbonized management is the creative destruction of conventional industrial practices."



Q3: What drives you to innovate?

Our founder always said, "Don't do anything that doesn't have to do with concrete." I have stayed true to those teachings and that spares me from having to think about other things. I combine new technology with concrete. When the Internet first arrived, I thought about what could be possible by combining it with concrete and came up with "OOPS!", an unmanned concrete factory that is controlled remotely by connecting to the Internet. We create new value by fusing concrete with other technology; that's how I get things done.

It is also important to leverage new insight and technology to spur innovation within the industry. That is why in 2022, we launched aNET ZERO Initiative, an industry team specializing in GX policies, joined by 52 companies as of May 2024 present. With so many companies on board, the climate across the industry is also starting to change. Each company commits to the IPCC (Intergovernmental Panel on Climate Change) goal, which sets forth to achieve net zero earlier than the 2050 deadline. To do so, we developed a system that records their diligent cutback efforts on a block chain and operates a platform that offers NFT※2 to building owners and construction companies.

※2 NFT: Non-Fungible Token

Decarbonization Management is Pure Positivity

Q4: What have been the positive and negative impacts of shifting entirely to decarbonization management?

Decarbonization management is positive through and through. Our clients recognize us for incorporating new technology, which has led to more business. For example, there was the tunnel construction for a bullet train in Hokkaido or construction of a leading edge factory gathering global attention. We were given these projects thanks to our decarbonization initiatives. Our low-carbon products were chosen here as well. We can create impact in other industries by promoting decarbonization of our own industry. The cement and concrete industry emits more CO₂ than other industries. That's why promoting decarbonization management is so crucial.



"aNET ZERO" consortium to lead the decarbonization of the industry

Addressing Negative Emissions Through DAC

Q5: How do you apply DAC and what are your outlooks for the future

Demands by building owners have also been changing dramatically in recent years. In particular, there is greater awareness toward Scope3 ※ reduction and more and more are choosing environmentally conscious products (green concrete.) We have incorporated Aircapture's (ICMG Group strategic partner) DAC device into our production process, which recovers CO₂ from the atmosphere and uses it for producing calcium carbonate (to use as aggregate) so that the atmospheric CO₂ can be fixed inside concrete. This not only leads to reduced CO₂ in the atmosphere but also boosts the durability of the concrete. We look forward to this technology transforming how concrete is made.

We hope to create precedence and use it as a jumping off point in encouraging other aNET ZERO Initiative companies to implement DAC devices as well. After that, we will expand this implementation support to concrete companies nationwide so as to facilitate decarbonization across the entire industry.

※ Scope 3: Scope 3 emissions refer to the total indirect greenhouse gas emissions across the supply chain of a business, excluding Scope 1 (direct emissions from fuel combustion and other sources within the company) and Scope 2 (indirect emissions from energy purchased from other companies). Scope 3 emissions encompass a wide range of activities, including emissions from the production, transportation, and delivery of raw materials, employee commuting and travel, product use, as well as the transportation and disposal of waste.

Investments for Society

Unleashing Japan's Potential Through Investment and Co-Creation in the Up-Coming Economy

India, Asia, and other up-coming markets are growing at a remarkable rate, and according to the IMF, India is expected to surpass Japan in nominal GDP by 2025, becoming the world's fourth largest economy. While global investors and corporates are active in these markets and opportunities abound, the reality is that FDI from Japanese companies have been limited to a few percent, leaving Japan far behind the U.S., U.K., Singapore, and the Middle East, and Japanese companies have not been successfully utilized the growth potential of these markets for their domestic market. ICMG Group has been a pioneer in investing in startups in next economic powerhouse, partnering with top global investors such as Sequoia Capital and Google to build an ecosystem. We believe that by combining this ecosystem with the intellectual capital of Japanese corporates, we can unleash the hidden potential of Japan's regions and envision NIPPON that we can be proud of to the world.



Gen Funahashi
ICMG Group, Group COO
ICMG Ventures CEO



At the New Delhi office of NirogStreet, India's largest alternative medicine platform provider, in which ICMG Co-Creation Fund has invested

Forming a Startup Ecosystem that Connects the World with Japan

The ICMG Co-Creation Fund has strengthened its partnership with major institutional investors, business firms, and financial institutions like Sequoia Capital, Tiger Global, and Google that are pivotal in promoting co-creation, as well as local born angel networks like 9Unicorns, We Founder Circle, and IPV who are vital in identifying excellent startup projects. Our focus is on building a strong startup ecosystem that contributes to the increased value of the companies that we invest in.

Among them, India, the next economic superpower, has already created more than 115 unicorn companies to present and have achieved an aggregated market value of approximately 560 trillion yen. In the rapidly growing Indian market, we are involved not only in investing in startups and businesses but also in supporting Japanese companies in creating value through both inbound and outbound activities.

Through investment and co-creation, we create new businesses by combining the entrepreneurs' deep understanding of the market and the startups' advanced business models with the know-how, technology, and intellectual capital which Japanese companies have. We will continue to expand the ecosystem of co-creation with Japanese companies such as by onboarding Japanese commercial products to platforms in India and Asia and promoting overseas expansion.

Going Beyond Strategy Proposal; Leveraging Startup Ecosystems to Support Business Overseas

Since 2023, we have been supporting a consumer goods manufacturer's entry into the Indian market and exploring the possibilities of developing sales channels via an online platform owned by NirogStreet, an Indian healthcare startup in our portfolio. Not only channel development, we also work through NirogStreet to connect with different partners including importers, regulation experts, and major local financial institutions to support the strengthening of the manufacturers' relational



Test marketing through product trials and feedback exchanges with people in India

capital in India. We also host test marketing and conferences that gather consumers, experts, and potential partners to create an opportunity for people to pick up the product, exchange opinions, and identify the value proposition, target, and price. In these ways, we go beyond simple strategy planning and instead, talk directly with the market with a focus on execution. Promoting this kind of real business development in collaboration with the manufacturer's management team allows them to establish a sense of ownership and by them serving as the hub, we are able to nurture a proactive mindset across the company.

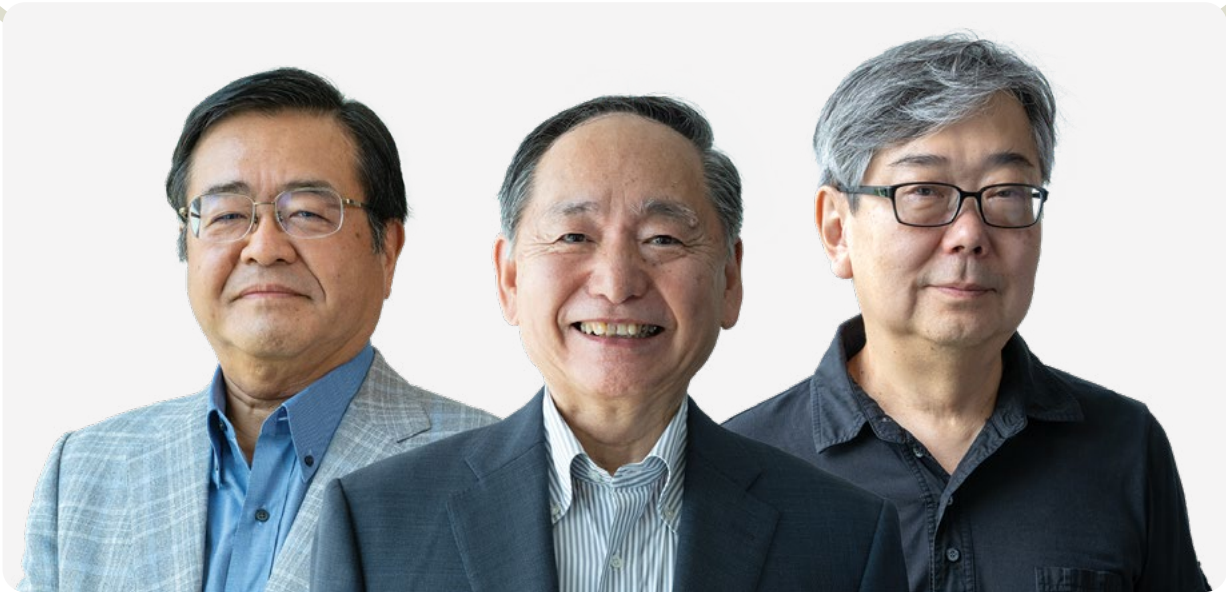
"Deeply committed to empowering local communities"

A part of startups ICMG Group has invested



The creation of a global ecosystem and value creation through the ICMG Co-Creation Fund is an important initiative to promote the emergence of local economies, solutions to social issues, and collaboration with the international community. We believe that the co-creation of unique ideas and technologies of global startups and intellectual capital of Japanese companies and locals will revitalize the Japanese economy and the locals.

Yoshihiko Shimizu
ICMG Group Advisor
Former Sumitomo Mitsui Banking Corporation Deputy Vice President and Representative Director
Former SMBC Nikko Securities Inc. President and CEO



Makoto Kigawa
ICMG External Director
Seven Bank, Ltd. Outside Director
The Higo Bank, Ltd. Outside Directors
Former YAMATO HOLDINGS CO., LTD Director Chairman

Ryoji Sato
ICMG Executive Officer
Chief Strategic Development Officer
Former Hitachi Capital Executive Officer
Former Hitachi Capital Securities CEO

We believe that the value creation activities of the ICMG Co-Creation Fund, which will combine the business models and technologies of fast-growing startups with the intellectual capital of Japanese companies, are an initiative of social significance that will help Japan realize its hidden potential and increase its global competitiveness. We also hope that by multiplying the value that lies in local communities, we can revitalize local economies and create local innovation.

There are not many funds in the world that have extensive experience and knowledge in intellectual capital management, which is the essential source of growth for startups. ICMG Co-Creation Fund that focuses on such intellectual capital management supporting the co-creation of new value with Japanese companies is an investment style not seen before, and I believe it has unique potential.

Crossing Borders and Empowering Locals through Investments

ICMG Ventures has invested in Anveshan, an innovative D2C premium food brand based in India. Anveshan is a D2C startup that offers a lineup of high grade products including an organic butter oil called A2 Ghee and cooking oils derived from trees using traditional production methods. The company is deeply committed to empowering the local community, managing the processes from ingredient production to processing, supporting local farmers, and drastically increasing employment opportunities in rural areas. With the people in India becoming more highly aware of their health and the arrival of digital natives in recent years, the future is bright for the Anveshan brand.



Anveshan's management team featured in a prominent documentary program



Dialogue with Sibi George, the Indian Ambassador to Japan, and the CEO and COO of ICMG Group at the Indian Embassy

Special Certification from METI

In April 2023, we became the second fund in Japan to obtain a special certification in overseas investment regulations, in recognition of our track record of supporting partnerships between overseas startups and Japanese companies and of investing in overseas startups, from the Ministry of Economy, Trade and Industry. This will enable us to provide extensive support to startups and large companies on a global scale without being bound by regulations that prevent investment in overseas companies to the extent that the investment exceeds 50%. In recognition of our track record as a progressive fund that has obtained this special certification, we have opportunities to exchange views with the Ministry of Economy, Trade and Industry and make recommendations on global investment policies for domestic funds.



Visiting Qlue's office, which is a portfolio company of ICMG Co-Creation Fund

Further Development of Regenerative Medicine. ICMG Co-Creation Fund Investee Achieves IPO

K-Pharma Inc., a portfolio company of ICMG Co-Creation Fund, listed on the TSE Growth Market on October 17, 2023. K-Pharma is engaged in the iPS drug discovery business, which develops therapeutic drugs by reproducing pathological models with "disease-specific iPS cells" created from the cells of patients with rare diseases, and the regenerative medicine business, which administers iPS cells to neurological areas such as spinal cord injury, is a business of great social significance that offers a solution for incurable diseases. ICMG Group is promoting collaboration with Japanese corporations that can play a role in the value chain and helping to accelerate commercialization in order to establish a regenerative medicine business in the future.



At the ceremony to celebrate K Pharma's listing on the Tokyo Stock Exchange

Solving Social Issues Through Global Co-Creation Will Become a Source of Corporate Competitiveness

The challenges facing modern society are complex, and in order to realize a sustainable society, it is essential for companies to co-create with a variety of partners across borders. With Singapore as our strategic base, ICMG Group is leading the co-creation activities of Japanese companies by executing projects that leverage the global innovation ecosystem in Southeast Asia and beyond. The collaboration activities looks at working with our Execution team under the ICMG Co-Creation Fund and other external partners, like A*STAR I²R whom we have recently concluded an MOU with. With these partners, we have launched various initiatives aimed at solving global social issues by utilizing the latest technologies from Japan and Singapore, and are expanding our ecosystem on a daily basis.



Hiroki Hada

ICMG Holdings Director
Former COO of b8ta Japan

Co-Creation for Society



Dr. Sun Sumei, Acting Executive Director of A*STAR I²R in Singapore, along with members of ICMG Group

Accelerating Digital Global Innovation

MoU Signed Between A*STAR I²R, a Singapore Government Agency, and ICMG Group

ICMG Group, which has been providing comprehensive support to Japanese companies, primarily in the manufacturing sector, including consulting services and global strategy planning, has formally signed an MoU with A*STAR Institute for Infocomm Research (A*STAR I²R) in Singapore (1 Fusionopolis Way, Singapore) to develop new digital solutions for Japanese companies. This partnership aims to enhance our ability to create and implement fundamentally meaningful value for society.

A*STAR I²R's strength lies in its technological capabilities such as AI, data analysis, robot software and cyber security, its driving force in developing software and accelerating POC to commercialization in real-world environments by leveraging its network as a government-affiliated organization. By combining these strengths with ICMG Group's customer base and execution capability to create real businesses with partners, we are confident that we can accelerate global innovation and the creation of new social value for Japanese companies.



Visit A*STAR I²R Robotics Lab for discussion

Many Japanese manufacturing companies are shifting from selling products to selling services. While they wish to acquire digital talent in order to promote new businesses and increase the value of existing businesses through the use of digital technology, the difficulty of acquiring excellent digital talent is increasing every year, both in terms of the market value of human resources and the mobility of human resources. Similarly, it is challenging for companies to secure sufficient funds for research and development when they are preoccupied with their existing operations, making it difficult to allocate budgets for new ventures as anticipated. In this respect, having a hub of exceptional digital and global talent, such as at A*STAR I²R, along with a collection of technologies that companies can easily adapt to, is a highly important approach for the Japanese manufacturing industry.



Ko Funahashi
ICMG Director of Intellectual Capital



A*STAR I²R Acting Executive Director Dr. Sun Sumei
ICMG Group, Group CEO Hitoshi Funahashi

Active Discussion of Global Strategies; Singapore One Week Program

The One Week Program was hosted as a part of a project aiming to establish an ecosystem that allows clients to achieve their global goals for the future. We went to Singapore together with the executive members of a major manufacturing brand to gain first hand experience of the local energy, the mechanisms for promoting innovation, and the environments that attract and produce high-level global talent. From there, we discussed global strategies that build on the strengths of

Singapore. In the program, Singapore members of the ICMG Group gave lectures on the positioning and utilization of Southeast Asia and India. We also visited BLK71 (incubation facility that gathers Singapore startups, VC, and university accelerators) and created a “place” where people could discuss actively with trusted partners from institutions such as EDB (Economic Development Board), NUS Advanced Robotics Center, and A*STAR I²R to accelerate the synergy effect.

After the One Week Program

Following the program, we have leveraged the know-how, resources, and networks of major manufacturers, A*STAR I²R, and the ICMG Group to promote joint business development. I²R in particular, being a government organization, has been instrumental in introducing incredible partners for commercialization. As the ICMG Group, we hope to promote projects while capturing our customer needs with accuracy,

including relationship building and negotiation, so as to create a place where stakeholders can connect organically.

Going forward, a POC in Singapore will be one milestone, followed by commercialization. We will also continue to devote our efforts in building ecosystems across multiple regions such as Southeast Asia, India, and the Middle East.



Willpower is to See the Unseen Future

The “will” and “desire” to see the unseen are essential to the practice of intellectual capital management. Together, they can create intrinsic value for people, society, and the company. What do you want to be as a human being before being a corporate person? Therefore, what are you going to do now? It is important to be able to communicate that solution in your own words. When we stop dressing up and connect our heads, hearts, and stomachs, our words will bleed, and we will be able to evoke empathy that will be widely communicated to society. We will continue to awaken individuals and organizations by creating “awareness” rather than “teaching,” and we will continue to face this world together with the leaders who have awakened from that awakening.



Hirohisa Ishikawa

ICMG Director, Member of the Board
IWNC CEO, Representative Director



Leadership Program in Mongolia During Severe Winter

Human Capital Creation

An Enhanced Value to Society A Place Where Willpower Leaders Are Nurtured

The Future Center Academy (FCA) is a program with the mission of, "creating leaders capable of producing results in real business." Willpower leaders selected from different companies bring actual business themes to the table, discussing "what is the source of value for myself and my company?", while a business coach works along with them for 6 months to help produce results. In FY2023, the program added an alumni fireside chat session to step up social value creation in the context of DX, SX, and GX and create a place that further elevates people's awareness toward co-creation. Another output of the program is for

people to address "what it is that they truly want to achieve" through self-searching, ultimately leading to an outstanding sense of ownership. To present, we've received feedback such as, "I was able to shift my mindset from waiting for others to change the company to myself initiating the change" and, "I have become a person who sets goals with focus on what is valuable for society rather than just feasibility." FCA looks forward to providing opportunities in more locations so that such leaders can lead other Willpower leaders in different regions and take on bigger challenges for social value creation.

"It's a shift in my mindset that I'm going to change the company, not wait for someone else to change it."



Dialogue at Future Center Academy



Coach

Takehiko Ogi
ICMG Outside Director
Professor of Kyushu University Business School

Creating Essentially Meaningful Businesses Through Synergy Transcending Countries and Regions

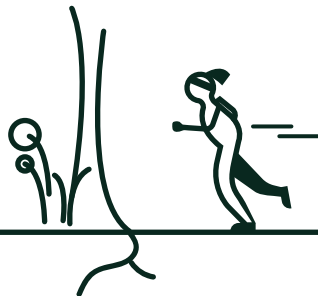
Global Leader Training (GLT) is a program that ideates new businesses while refining one's core on the global stage and has produced 135 global leaders across 9 graduating terms to present. The program is offered to tomorrow's corporate leaders of Japan who live in an environment that makes it difficult for a company to grow sustainably in the domestic market single-handedly, and provides opportunities for them to heighten their Intelligence in Practice of business development as "winning leaders of the world."

Every course is customized, selecting program partners and stages that fully leverage the portfolio of the ICMG Co-Creation Fund and its related global capital. This year, new businesses were conceived in

collaboration between four companies on Pawalan Island in the Philippines (8th term), where we have social implementation, as well as the Indian market (9th term) that continues to excite the world with its GDP/market growth. Particularly in India, the group took on the challenge of discovering partners and co-creating a business from zero. Participants take home their local experiences and become global leaders involved in overseas business execution at their own company following the program. GLT's greatest value is in the experiences and insights gained through business co-creation that transcends companies and regions and working together to solve truly meaningful social challenges on the frontlines of real business.



CleanGrid Partners, a JV between ICMG Group and Tokyo Electric Power Company, has built a micro-grid in Sabang, Palawan, Philippines.



Leadership Program Alumni Voice
2018 Alumni of "the Next-Generation Executive Training Program"
from a Major Infrastructure Company

Always Be Edgy. Because That's Who I Am.

I was in the 4th term of the Next Generation Management Training Program that kicked off in 2015. In my final presentation, I introduced a business idea themed on using a bitcoin mining device to convert surplus power to cryptocurrency. After many twists and turns, I was finally able to set up my company last year.

I've always been a fierce competitor so I'm the kind of person who will give suggestions to people, regardless of rank, and fight for what I believe in. This personality might have been a handful for my ICMG Group coaches and

Kenji Tateiwa
Agile Energy X, Inc.,
Founder and CEO

After majoring in nuclear engineering from Kyoto University, Kenji Tateiwa joined a major infrastructure company in 1996. There, he worked in the nuclear division, designing next-generation nuclear reactors. In 2004, he received an MBA from Stanford University. After business proposals of a segway sharing business and overseas nuclear energy business, he founded Agile Energy X, Inc. in August 2022 as an internal venture capital and was appointed CEO.

teammates but they always listened to my hopes and dreams and we shaped our ideas together. Had it not been for this program, Agile Energy X, Inc. would not exist today. I'm truly glad that I worked up the courage to apply to the program and continue to sharpen my edge throughout the program without going blunt. What I need to do is continue taking action with commitment and pride as a person taking on the future of energy in Japan.

If you have the desire to create the future of energy in Japan with us, give us a call!



Kenji Tateiwa speaks at the 2024 Industrial Finance Forum



Leaders of various fields reflect on their lives in Mongolia during the harsh winter season.

Discovering True Self Core Amidst
a Severe Winter in Mongolia

One's mind will start looking into the soul when they are placed in nature that is so majestic that it leaves one in awe. The "conviction exploration" program was held in the dead of Mongolia's severe winter for this reason. The participants were all leaders spearheading their respective industries.

How did they perceive things, make decisions, and take action until then? As one engages in dialogue with their inner self, deep memories start coming to the surface. These memories become stepping stones in subsequent sessions in searching for their true self. On an endless field of white snow, on the backs of Mongolian horses, and inside Gers where the nomads live. Participants face their inner selves and weave words in deep surrender with the thread spun by an unbroken chain of memories. The "Leadership Declaration" born through those sessions are commitments that reflect their pride and embody the group's fellowship. Every participant stated how their experiences here have become "unforgettable memories of a lifetime" and they have taken a step into their future as true leaders capable of leading on their own.



Yosuke Yagi
ICMG Group
IWNC Chairman

Value Provision of ICMG Group



Outcome

The Forest Around the Tree Thrives

Are we bringing fulfillment to people's livelihoods?

Social Value Co-Creation and Implementation
Co-creation and social implementation to realize the common social good of society and solve social issues

- Digital Transformation, Social Transformation, Green Transformation
- ICMG Impact, Greenway Grid Global, TEPCO i-FRONTIERS, Mt.Fuji Future Center
- Global Thermostat Japan

Glance at the Forest Around the Tree

Purpose & Strategy Design
Delineation, verbalization, and development of social value with the existence of the company

- Purpose design and permeation
- Navigator design

Output

Ripen the Fruit on the Tree

Are we able to resonate with internal and external stakeholders?

Value Creation Story
Storytelling and promotion of solid steps toward the realization of purpose

- Purpose book
- Value creation story: integrated management, integrated reporting

Value Creation

Nurture the Trunk of the Tree,
Extend the Roots of the Tree

Are we able to create social value beyond a company's revenue?

Co-Creation and Innovation
Establishment and implementation of management and business infrastructure to realize social value creation and corporate transformation through combining sources of value creation with co-creation

- Future co-creation: Solving essential issues for the world, Japan, regions, and companies / Future co-creation style consulting
- Innovation through Co-Creation and Investment: Systematizing the Business Development Process from Ideation to Commercialization for Large Enterprises, and Exploring New Markets and Areas by Complementing Necessary Partners and Technologies
- ICMG Co-Creation Fund: Investing in startups in Japan, Asia, and India, and promoting co-creation with large Japanese companies
- Corporate Transformation Consulting: Leveraging Intellectual Capital for management reform, growth strategy, and M&A design and implementation

Are we creating new value by openly exchanging opinions across organizational boundaries?

Co-Creation x Human Capital
Co-creation of social value beyond organizational and regional boundaries through Future Center activities

- Future Center Academy
- Global Leader Training One Week Program
- Strategic HR Manager School
- Co-creation Partner Gatherings, Willpower Leaders Gatherings

Are we producing the next generation of entrepreneurs with a transcendent sense of ownership, and strong willpower?

Wisdom and Conviction of Leadership
Harvest genuine leaders with a transcendent sense of ownership and practical wisdom who will lead the next generation with the Willpower to create social value and lead corporate change

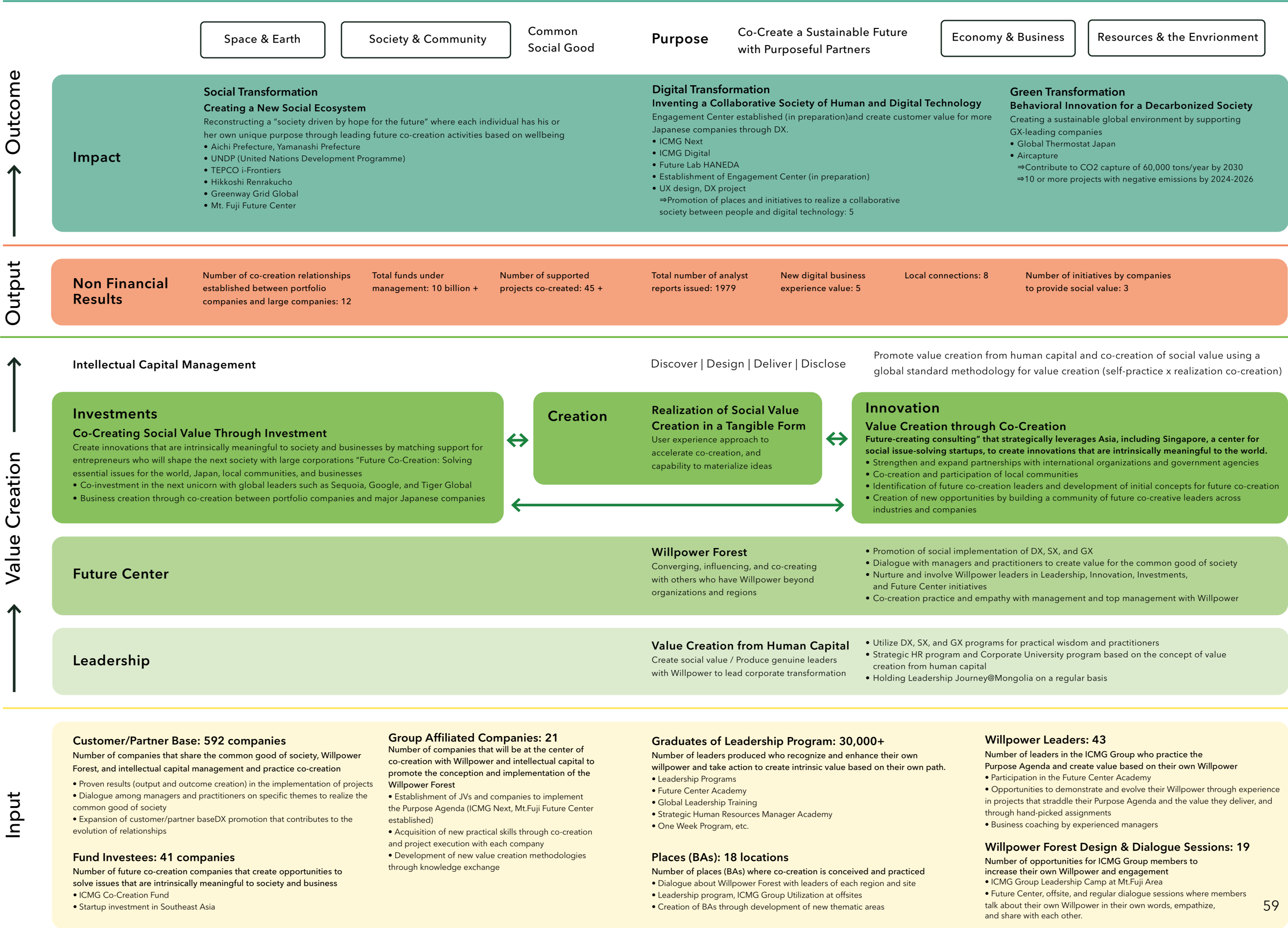
Input

Evaluate the Roots of the Tree

Are we understanding our sources of value (intrinsic value) to society for the future?

Intellectual Capital Visualization
Visualization of intellectual capital as a source of value creation

- IC Rating® (Intellectual Capital Rating)
- IC Rating® Lite



Willpower Forest: Steps for Value Creation

2001

Oct Started consulting services for visualizing and improving intellectual capital. Signed exclusive license agreement with Intellectual Capital Sweden (ICAB) for its intellectual capital visualization method (IC Rating®)

2002

Feb Commissioned by the Ministry of Economy, Trade and Industry (METI) to conduct research and studies on Intellectual Capital

2003

Apr Formed a strategic alliance with Hitachi, Ltd. and started corporate transformation support

2004

Sep Appointed chair of the Study Group on Intellectual Assets and Corporate Value by the Ministry of Economy, Trade and Industry

2005

May Commissioned by the Industrial Revitalization Corporation of Japan to undertake revitalization projects

Oct Supported the formulation of the “Guidelines for the Disclosure of Intellectual Asset Management by the Ministry of Economy, Trade and Industry

2006

Oct Contracted by the stock exchange to provide business diagnosis services to listed companies

2007

Sep Signed contract with a financial fund to assist in evaluations of companies for potential investments

2009

Mar Headquarters relocated to Uchisaiwai-cho, Chiyoda-ku, Tokyo

Nov Signed license with ICAB for IC Rating® license and the overseas partner network"

2010

Mar Acquired 100% of shares in ICAB

2011

Jun Established ICMG FINANCIAL SERVICES (currently ICMG PTE., LTD.) (Headquarters: Singapore)

Oct Company name changed from ACTCELL to ICMG Co., Ltd.

2012

Jan Established ICMG Consulting India (Headquarters: Bangalore, India)

2013

Jan Established Beijing ICMG Consulting Co., Ltd. (Headquarters: Beijing, China)

2014

Jan Established M&IT Corporation to provide consulting services related to corporate management and operations and IT

2015

Jul Established ICMG USA (Headquarters: Silicon Valley, USA)

2017

Sep Established TEPCO i-FRONTIERS, Inc. as a joint venture with TEPCO Energy Partners, Inc.

2018

Jul Established Greenway Grid Global (Headquarters: Singapore), a joint venture between TEPCO Power Grid, Chubu Electric Power and ICMG

2019

Jan Establishment of CleanGrid Partners Pte Ltd, a joint venture between TEPCO Power Grid and ICMG (Head office: Singapore)

Nov Signed strategic alliance agreement with UNDP Global Centre for Technology, Innovation and Sustainable Development to accelerate SDG-related innovation in Asia (ICMG Pte., Ltd.)

2020

Feb Relocated head office to Marunouchi, Chiyoda-ku, Tokyo and opened “Future Center Tokyo”

2021

May Established ICMG Co-Creation Fund with Japan Airport Terminal Co., Ltd., Haneda Future Research Institute Inc., and Kiraboshi Bank Ltd.

2023

February Established ICMG Digital Pte. Ltd. (Head office: Singapore)

July Global Thermostat, a joint venture between Global Thermostat, Inc. of the U.S. and ICMG Digital Pte.

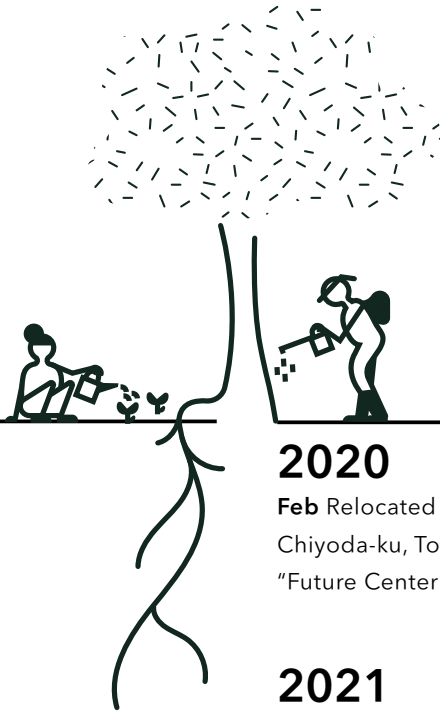
May Established ICMG Digital Inc. (Head office: Tokyo)

2024

January Established ICMG Next Inc. (Head office: Tokyo)

February Established ICMG Impact Inc. (Head office: Tokyo)

May Mt.Fuji Future Center Inc. established (Head office: Yamanashi)



Our code of conduct

Beyond Partners' Expectations

After 24 years of business since 2000, we have designated 2023 and 2024 as pivotal years for dramatic business expansion and the training of successors in business management to establish a foundation for seamless business transition from the old to the new.

This is driven by our willpower to “bring what is truly valuable for society” and your expectations of us are the engine that fuels the leadership of each employee.

The ICMG Group started from consulting and we’ve taken the achievement built diligently throughout the years as our sustenance in

shaping the Future Center and the Willpower Forest, where talent from different walks such as digital, design, and architecture gather to create steady results for the next generation.

We will partner with public and private sectors as well as urban and regional areas to boost revenue for businesses (financial output) with different stakeholders and produce sure results for society (intellectual capital value, outcome.)

I will walk forth, mindful of exceeding our own expectations, so that we can continue exceeding yours.



Hitoshi Funahashi
ICMG Group, Group CEO
ICMG Chairman, Board of Directors
Mt.Fuji Future Center President and Gardener

ふなはし ひとし





**Intellectual Capital
Management for
Sustainable Growth**

ICMG Group
ICMG Holdings Pte Ltd

Meiji Yasuda Seimei Building
11th Floor, 2-1-1
Marunouchi, Chiyoda-ku,
Tokyo 100-0005, Japan

Production
ICMG Group
Total Management
Daisuke Touchi
ICMG Executive Officer, Intellectual
Capital Management Promotion
Design Management
Ashley Szukalski
ICMG Next
Vice President of Experience,
Products & Services

Issued August 2024

Company Homepage
<https://www.icmggroup.com>

